

JOHN COOK  
MAYOR

Joyce Wilson  
CITY MANAGER

CARMEN ARRIETA-CANDELARIA  
CHIEF FINANCIAL OFFICER



**CITY COUNCIL**  
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SUSANNAH M. BYRD, DISTRICT 2  
J. ALEXANDRO LOZANO, DISTRICT 3  
MELINA CASTRO, DISTRICT 4  
PRESI ORTEGA, JR., DISTRICT 5  
EDDIE HOLGUIN JR., DISTRICT 6  
STEVE ORTEGA, DISTRICT 7  
BETO O'ROURKE, DISTRICT 8

## FINANCIAL SERVICES DEPARTMENT

December 12, 2005

To: Joyce Wilson, City Manager  
Through: William Studer, Deputy City Manager  
Carmen Arrieta-Candelaria, Chief Financial Officer  
From: Blanca B. Lorkowski, Treasury Services Manager  
Subject: Quarterly Investment Report for the Period Ending November 30, 2005

Submitted for your review and acceptance is the City of El Paso first quarter investment report including documentation of investments held and evaluation of investment performance. The Investment Officers have complied with the Public Funds Investment Act, the City's Investment Policy, and adopted Investment Strategies. All funds were invested to meet cash flow requirements for operations, capital projects, and debt service payments.

During this quarter the City bid one investment. The investment was made to satisfy a portfolio diversity requirement. All other cash available was placed into investment pools in order to take advantage of superior yields in the pools compared to the yields of investments currently available. The five investment pools used by the City – TexStar, TexPool, Logic, Wells Fargo and MBIA – had an average yield of 3.869% for the quarter ended November 30, 2005.

The following is a summary comparison of selected information as of August 31, 2005 and November 30, 2005:

	1st Quarter 2006 November 30, 2005	4th Quarter 2005 August 31, 2005
Principal Invested	\$92,290,743.93	\$124,637,095.00
Portfolio Book Value	\$92,289,335.60	\$124,454,453.34
Portfolio Fair Value	\$92,289,335.60	\$124,637,095.00
Weighted Average Maturity	95 Days	18 Days

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The yields on portfolio investments and representative market securities are:

	November 30, 2005
Investment Pools	3.869%
U. S. Agency Securities	3.470%
Average 3-month T-bill Rate	3.743%
Average 6-month T-bill Rate	4.010%
Average 6-month CD Rate	4.400%
City Average Portfolio Yield	3.717%

Attached are additional charts and tables portraying the City's portfolio and summarized reports of portfolio position required by the Texas Public Funds Investment Act.

The change in the average portfolio yield for the quarter was 57.3 basis points higher at the end of quarter compared to the beginning of the quarter. This increase is due to the increase in the yields of the investment market in general. The City's current average portfolio yield was lower than the 3-month T-bill rate over the same period by 2.6 basis points.

c: Mayor John Cook and Council Members  
City Clerk

ATTACHMENTS:

- Chart - City Portfolio by Investment Type
- Chart - Portfolio Maturity
- Chart - Treasury Benchmark Yield Analysis
- Chart - Portfolio Performance Comparison
- Report - Total Return
- Report - Texas Compliance Summary
- Report - Texas Compliance Details

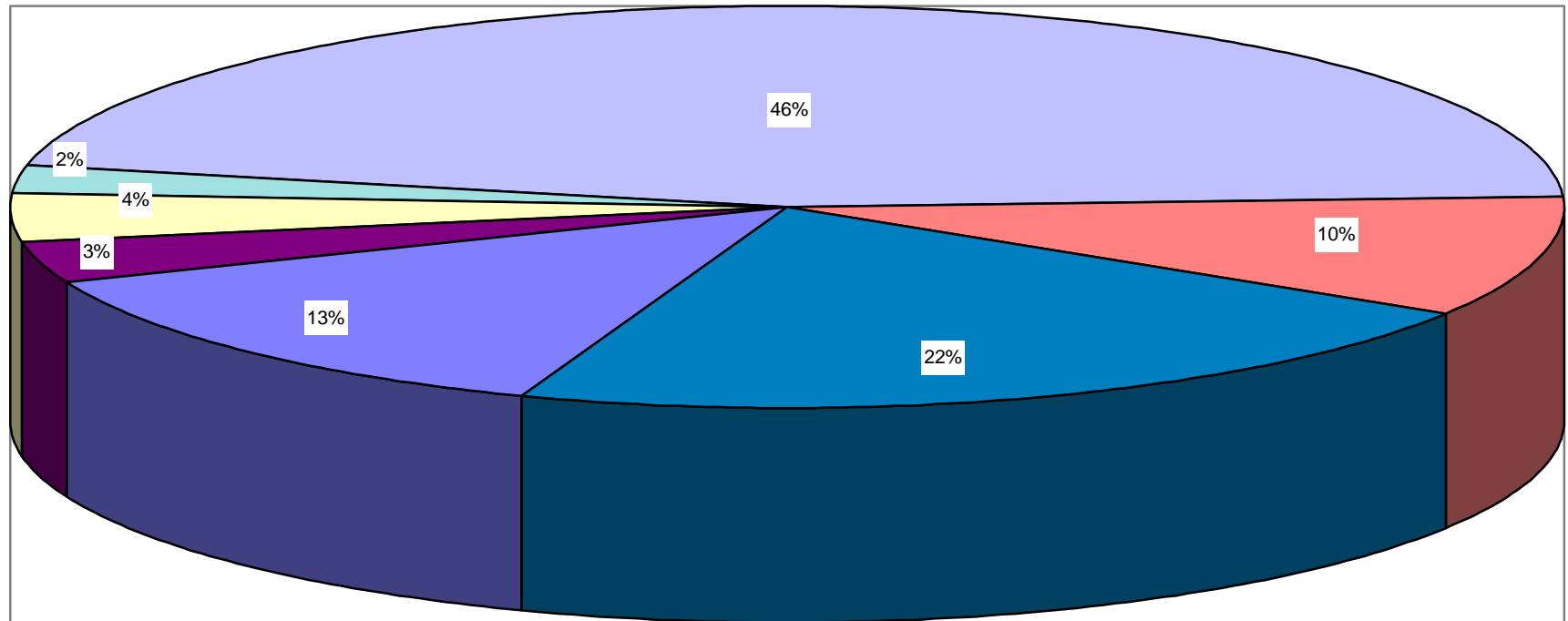
BBL \ quarterly report –November 30, 2005

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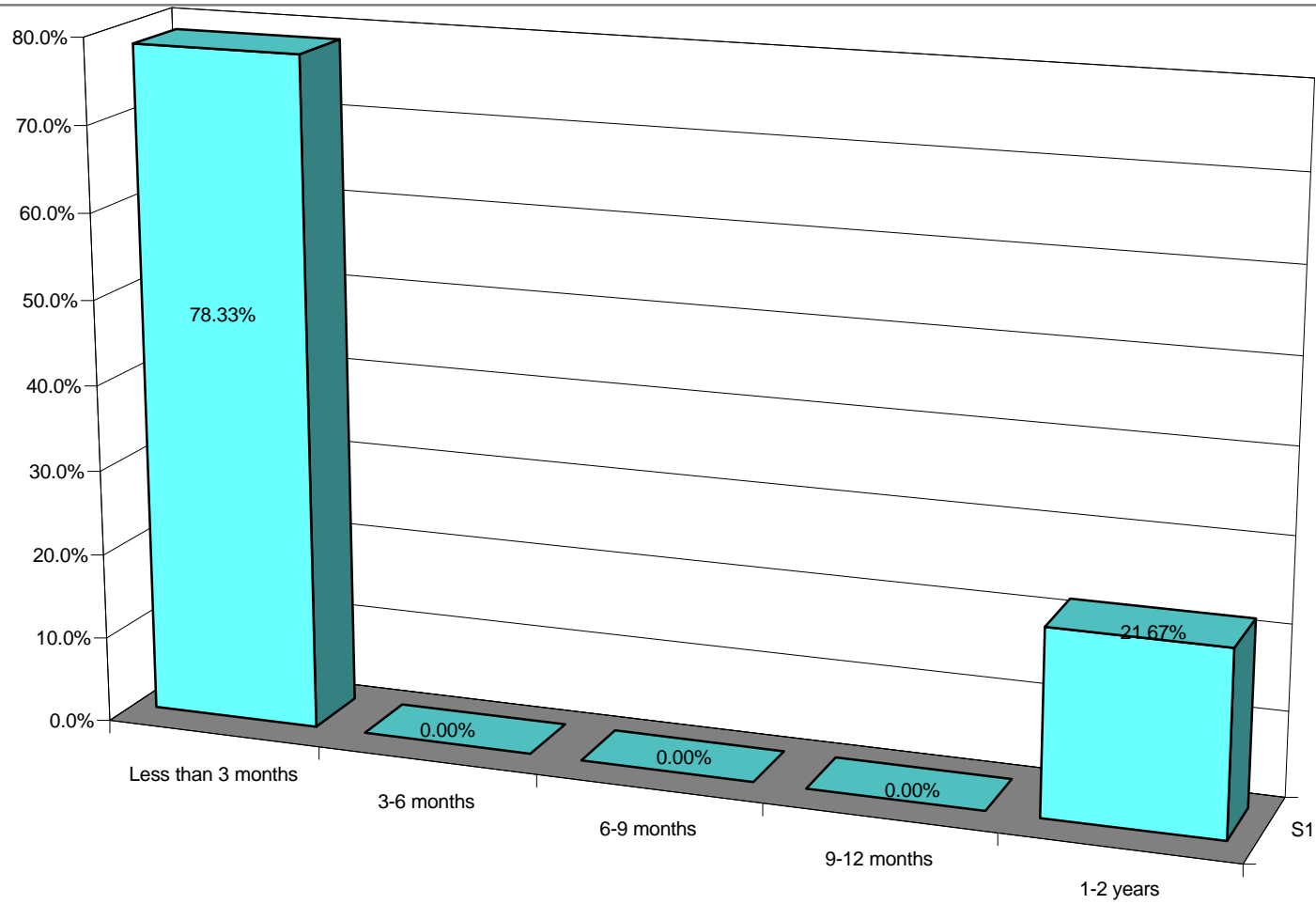


City Portfolio by Investment Type  
As of November 30, 2005

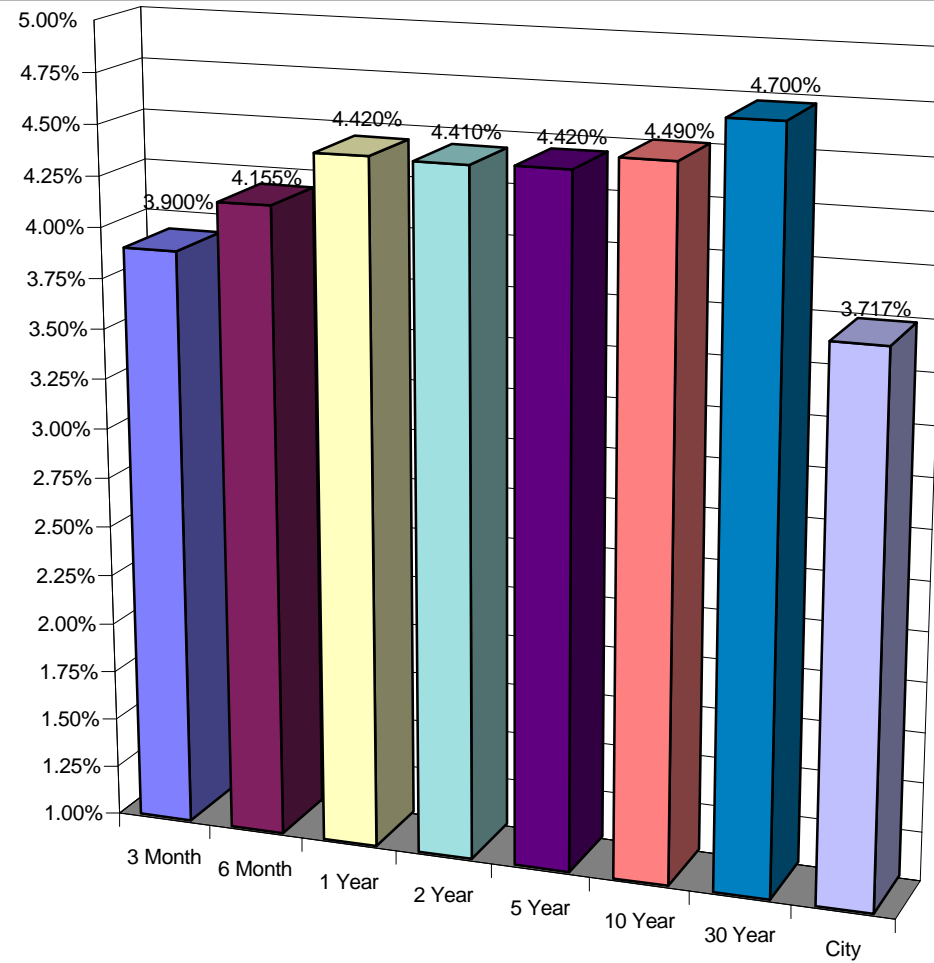


- MBIA
- Wells Fargo-City
- Wells Fargo-PFC
- Logic Investment Pool
- Texpool Investment Pool
- Texstar Investment Pool
- Agency Notes

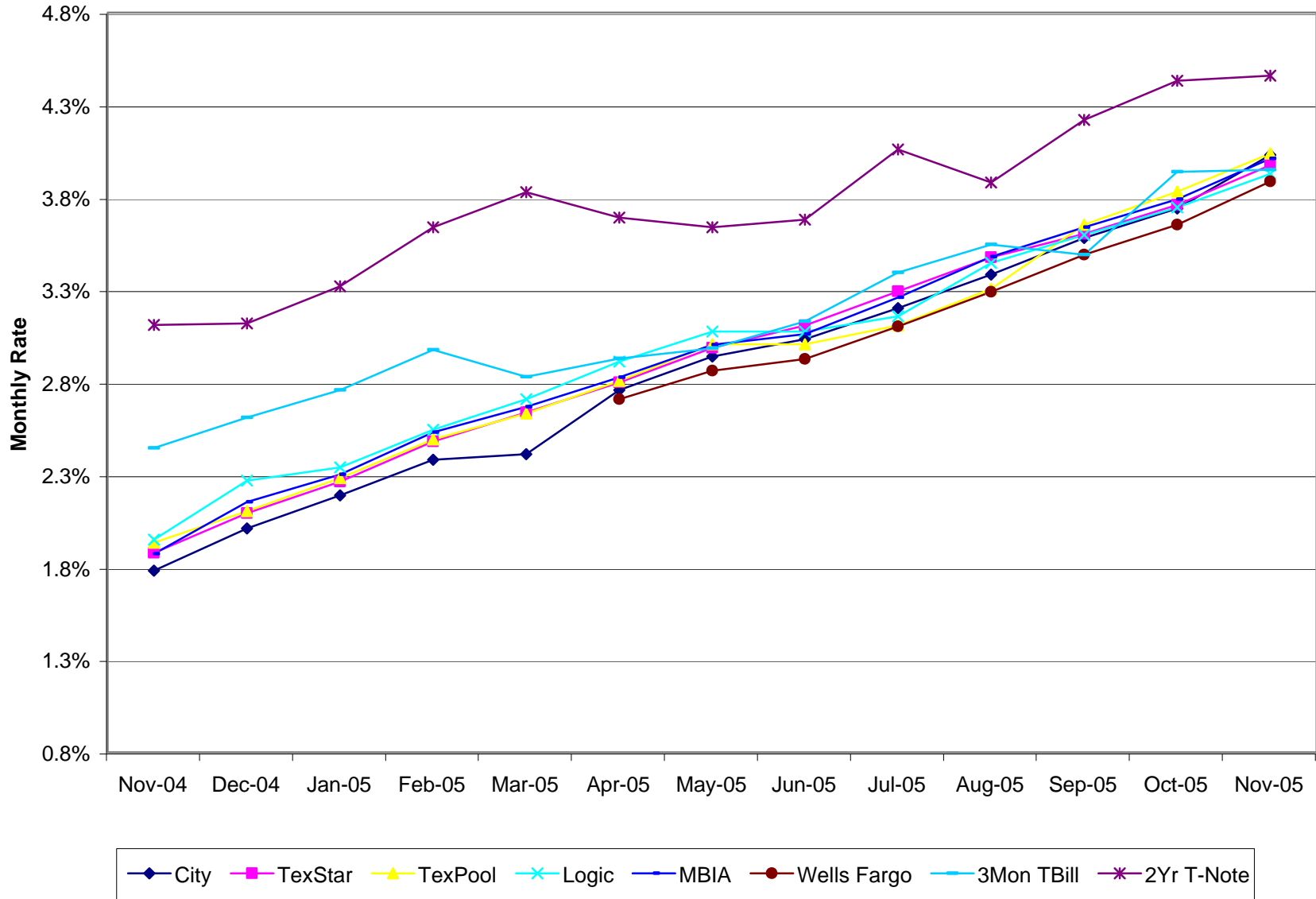
**Portfolio Maturity**  
**As of November 30, 2005**



**Treasury Benchmark Yield Analysis**  
**As of November 30, 2005**



**Portfolio Performance Comparison for the Period November 2004 through November 2005**





**City of El Paso**  
**Total Return**  
**September 1, 2005 - November 30, 2005**  
**Yield on Time Weighted Value**

CUSIP	Investment #	Fund	Investment Class	Beginning Invested Value	Time Weighted Invested Value	Ending Invested Value	Maturity Date	Current Rate	Total Return	Interest Earned	Adjustment In Value	Net Investment Income
<b>Issuer: Federal Home Loan Bank</b>												
3133X92A7	510000044	01	Fair Value	5,000,000.00	5,000,000.00 *	5,000,000.00	11/09/2006	3.030	3.038	37,875.00	0.00 *	37,875.00
			<b>Subtotal</b>	<b>5,000,000.00</b>	<b>5,000,000.00 *</b>	<b>5,000,000.00 *</b>			<b>3.038 *</b>	<b>37,875.00</b>	<b>0.00 *</b>	<b>37,875.00</b>
<b>Issuer: Logic Investment Pool</b>												
746000749	50100000007	01	Amortized	73,556,381.13	37,890,461.12	2,117,377.91		3.877	3.608	339,022.39	0.00	339,022.39
	50100000008	01	Amortized	0.00	0.00	0.00				0.00	0.00	0.00
			<b>Subtotal</b>	<b>73,556,381.13</b>	<b>37,890,461.12</b>	<b>2,117,377.91</b>			<b>3.608</b>	<b>339,022.39</b>	<b>0.00</b>	<b>339,022.39</b>
<b>Issuer: MUNICIPAL INVESTORS SVC CORP.</b>												
TX0103050001	501000007	01	Amortized	6,126,525.54	14,708,995.93	12,227,311.44		3.960	3.808	139,635.13	0.00	139,635.13
			<b>Subtotal</b>	<b>6,126,525.54</b>	<b>14,708,995.93</b>	<b>12,227,311.44</b>			<b>3.808</b>	<b>139,635.13</b>	<b>0.00</b>	<b>139,635.13</b>
<b>Issuer: TEXPOOL Investment Pool</b>												
07103111000	50200000007	01	Amortized	19,171,961.55	31,678,836.81	42,392,490.22		3.782	3.840	303,315.26	0.00	303,315.26
			<b>Subtotal</b>	<b>19,171,961.55</b>	<b>31,678,836.81</b>	<b>42,392,490.22</b>			<b>3.840</b>	<b>303,315.26</b>	<b>0.00</b>	<b>303,315.26</b>
<b>Issuer: Texstar</b>												
746000749	50300000007	01	Amortized	15,297,140.33	12,633,507.46	8,936,987.18		3.925	3.691	116,250.32	0.00	116,250.32
			<b>Subtotal</b>	<b>15,297,140.33</b>	<b>12,633,507.46</b>	<b>8,936,987.18</b>			<b>3.691</b>	<b>116,250.32</b>	<b>0.00</b>	<b>116,250.32</b>
<b>Issuer: Vista Investment Pool</b>												
608362	50800000007	01	Amortized	0.00	0.00	0.00		0.836		0.00	0.00	0.00
332150	50800000008	02	Amortized	0.00	0.00	0.00		2.350		0.00	0.00	0.00
			<b>Subtotal</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Issuer: WELLS FARGO GOVERNMENT MMF INS</b>												
12826111	5060000010	01	Amortized	3,075,025.81	2,580,953.74	3,088,748.50		3.836	3.600	23,168.06	0.00	23,168.06
12828893	5060000009	02	Amortized	2,407,060.54	3,048,196.95	3,527,828.68		3.836	3.618	27,497.37	0.00	27,497.37
3128X4S11	5110000045	01	Fair Value	0.00	3,626,010.99	14,998,500.00	11/09/2006	4.540	4.604	41,620.33	0.00	41,620.33
			<b>Subtotal</b>	<b>5,485,086.35</b>	<b>9,255,163.68</b>	<b>21,615,077.18</b>			<b>3.999</b>	<b>92,285.76</b>	<b>0.00</b>	<b>92,285.76</b>

\* - Adjustment and Investment Value cannot be calculated due to missing or outdated Market price data.

City of El Paso  
Total Return  
September 1, 2005 - November 30, 2005

CUSIP	Investment #	Fund	Investment Class	Beginning Invested Value	Time Weighted Invested Value	Ending Invested Value	Maturity Date	Current Rate	Total Return	Investment Income		
										Interest Earned	Adjustment in Value	Net Investment Income
			Total	124,637,095.00	110,965,965.00 *	92,289,243.93 *			3.717*	1,028,383.86	0.00*	1,028,383.86

Components of Return: Interest: 3.717

Amortization:

Market Value:

\* - Adjustment and Investment Value cannot be calculated due to missing or outdated Market price data.



**City of El Paso**  
**Texas Compliance Summary**  
**Sorted by Investment Class**  
**September 1, 2005 - November 30, 2005**

Investment Class		Par Value	Market Value	Book Value	Accrued Interest
Fair Value	Value beginning 09/01/2005	5,000,000.00	5,000,000.00	5,000,000.00	47,133.33
	Net Change	15,000,000.00	14,998,591.67	14,998,591.67	1,432.67
	Value ending 11/30/2005	20,000,000.00	19,998,591.67	19,998,591.67	48,566.00
Amortized Cost	Value beginning 09/01/2005	119,637,095.00	119,637,095.00	119,637,095.00	0.00
	Net Change	-47,346,351.07	-47,346,351.07	-47,346,351.07	5,063,990.97
	Value ending 11/30/2005	72,290,743.93	72,290,743.93	72,290,743.93	5,063,990.97
Total	Value beginning 09/01/2005	124,637,095.00	124,637,095.00	124,637,095.00	47,133.33
	Net Change	-32,346,351.07	-32,347,759.40	-32,347,759.40	5,066,423.64
	Value ending 11/30/2005	92,290,743.93	92,289,335.60	92,289,335.60	5,112,556.97



City of El Paso

**City of El Paso  
Texas Compliance Details  
Sorted by Investment Class  
November 30, 2005**

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
<b>Investment Class: Fair Value</b>												
3133X92A7	510000044	01	Federal Home Loan Bank	FAC	5,000,000.00	11/09/2005		3.030			5,000,000.00	5,000,000.00
3128X4S11	511000045	01	WELLS FARGO GOVERNMENT MMF INS	FAC	15,000,000.00	11/09/2006		4.540			14,998,591.67	14,998,591.67
				<b>Subtotal</b>	<b>20,000,000.00</b>						<b>19,998,591.67</b>	<b>19,998,591.67</b>
<b>Investment Class: Amortized Cost</b>												
746000749	5010000007	01	Logic Investment Pool	PA1	2,117,377.91			3.877	100.000	08/31/1989	2,117,377.91	2,117,377.91
07103111000	5020000007	01	TEXPOOL Investment Pool	PA1	42,392,450.22			3.782	100.000	05/31/2000	42,392,450.22	42,392,450.22
746000749	5030000007	01	Texstar	PA1	8,936,987.18			3.925	100.000	02/29/2004	8,936,987.18	8,936,987.18
TX0103050001	5010000007	01	MUNICIPAL INVESTORS SVC CORP.	PA1	12,227,311.44			3.960	100.000	01/31/2004	12,227,311.44	12,227,311.44
12826893	5060000009	02	WELLS FARGO GOVERNMENT MMF INS	PA1	3,527,828.68			3.836	100.000	03/09/2005	3,527,828.68	3,527,828.68
12826111	506000010	01	WELLS FARGO GOVERNMENT MMF INS	PA1	3,088,748.50			3.836	100.000	04/05/2005	3,088,748.50	3,088,748.50
				<b>Subtotal</b>	<b>72,290,743.93</b>						<b>72,290,743.93</b>	<b>72,290,743.93</b>
				<b>Total</b>	<b>92,289,743.93</b>						<b>92,289,335.60</b>	<b>92,289,335.60</b>